

THE EFFECTS OF BRAND CONSCIOUSNESS, SALE PRONENESS AND BUYING URGE ON IMPULSIVE BUYING BEHAVIOUR: AN EMPIRICAL RESEARCH

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ABSTRACT

Marketing academics and practitioners have acknowledged that shopping pattern has changed. As a result, the concept of impulsive buying has emerged as a thing of great interest to marketers. The present field study, conducted with consumers taken from all the different strata of our society addresses the question, what are the factors that lead to impulsive buying. In this present research, we propose the effects of brand consciousness and sale proneness on impulsive buying. The present research examined the mediating effect of buying urge on the relationship of brand consciousness, sale proneness and impulsive buying. The study was conducted on 126 respondents and we found that brand consciousness and sale proneness have positive effect on impulsive buying and buying urge mediated the relationships.

KEYWORDS: Brand Consciousness, Sale Proneness, Buying Urge and Impulse Buying

INTRODUCTION

For the current generation of consumers, the meaning of shopping has changed. It is not just a mere necessity, as it was earlier, but much more than that. Nowadays, shopping is seen more as a recreational activity and an escape from daily chores rather than a transactional activity used to fulfil material needs. Shopping has become much like a play in which the main character is played by the consumer indulging in shopping experience (Saraneva and Saaksjarvi, 2008). Consumers often walk around stores browsing just for fun or to pass time. In addition, some consumers view shopping as an escape mechanism to get their minds off their problems and as a way for relieving stress and alleviating the negative mood (Jamal et al. 2006). Although it is assumed that consumers make their purchasing decision rationally, it is not true all the time. Consumers often buy a product which they do not plan to buy initially or sometimes they buy more than what they need for themselves and to add to the woes even overpay in some cases. Such purchasing is called as impulse purchase or irrational purchase. Impulse buying occurs when people experience buying urge for a product without a thoughtful consideration why and for what reason they are buying the product. The urge is sometimes irresistible and consumers may therefore feel temporarily out of control. Such type of purchasing can be found easily in the new multi channel retail environment like shopping in a super market or in a mall.

The present study proposes a conceptual framework of consumers' impulsive buying behaviour emphasizing the interrelationships between brand consciousness, sale proneness, and urge to buy impulsively. This study also investigates the mediating effect of buying urge on the relationship of brand consciousness, sale proneness and impulsive buying.

LITERATURE REVIEW

For over fifty years, consumer researchers have strived to give a better definition of impulse buying. Early studies on impulse buying stemmed from managerial and retailer interests. Research in this vein placed its emphasis on the approach to classifying products into impulse and non-impulse items in order to facilitate marketing strategies such as point-of-purchase advertising, merchandising, or in-store promotions. This approach is limited by a definitional myopia,

which simply equates impulse buying to unplanned purchasing (Bellenger, Robertson, and Hirschman 1978; Kollat and Willet 1967). In response to this definitional problem, researchers began to focus on identifying the internal psychological states underlying consumers' impulse buying episodes (Rook 1987; Rook and Gardner 1993; Rook and Hoch 1985).

Impulse buying is a sudden and immediate purchase with no pre-shopping intentions either to buy the specific product categories or to fulfill a specific buying task. The behavior occurs after experiencing an urge to buy and it tends to be spontaneous and without a lot of reflection (Beatty and Ferrell, 1998). It is one of those dimensions of individual differences that are frequently associated with biological bases of personality. Previous studies on impulse buying focused on defining differences between impulse and non-impulse buying behaviour (Cobb and Hoyer, 1986; Piron, 1991). Many researchers have provided theoretical frameworks for examining impulse buying related to psychological variables (e.g. personality, emotion, motivation) and situational factors (e.g. available time, money) in a shopping context (Beatty and Ferrell, 1998; Burroughs, 1996; Rook and Fisher, 1995). This implies that consumers' impulse buying while shopping can be encouraged by any psychological factor or situational factor.

Rook (1987) underlines, impulsive purchasing behaviour should be explained by the psychological and emotional reactions. He expounded impulse purchasing as; a sudden and intensive want that occurs on consumer to buy a product, which is not really such a necessary item. According to Rook, there must be some definite characteristic features to talk about impulse purchasing; consumer sees the product and instantly gravitates to it, he wants to own the product at the moment, he just thinks about buying and owning the product, he does not think about the afterward negative consequences of buying like rational consumers, feels highly excited, he is conflicted between self-control and getting spoiled. A study conducted by Kacen, et al. (2012) examined the effect of product characteristics and retailing factors on the likelihood a consumer makes an impulse purchase. Their findings suggest that retailers, who want to encourage impulse buying behaviour, have to utilize different promotional activities and merchandising tactics that attract consumers. The results also indicate that product characteristics have a fifty percent greater influence on impulsive buying than that of the retailing factors.

Sale proneness is defined as an increased propensity to respond to a purchase offer for a lower price because of the sale form in which the price is presented Lichtenstein, Ridgway and Netemeyer (1993). Sale signs tend to attract the attention of shoppers and Lichtenstein, Ridgway and Netemeyer (1993) suggested that sale-prone consumers are more likely to perceive a higher value when purchase price is presented in a sale form compared to an equivalent price not presented in a sale form

RESEARCH GAP

As it is evident from literature, various studies have been conducted on impulsive buying behaviour. But no research has been done to study the interrelationship between brand consciousness, sale proneness, buying urge and impulsive buying. In this study an attempt has been made to broaden the concept of impulse buying behaviour and explore impulse buying in the new retail environment. With the prominence of organised retailing it would seem appropriate to expand the concept of impulse buying to accurately capture impulse buying behavior virtually as well as physically. To the best of our knowledge, no scholarly effort has been undertaken in Indian context to understand the consumers' impulsive buying behaviour in multichannel retail format with the combined relationship among the aforementioned variables.

Research Framework

Based on the background and motivation, this study proposes a research framework shown in Figure 1. In this study, we use the consumer's brand consciousness and sale proneness as independent variables, buying urge as mediating

variable and impulse buying behaviour as dependent variable.

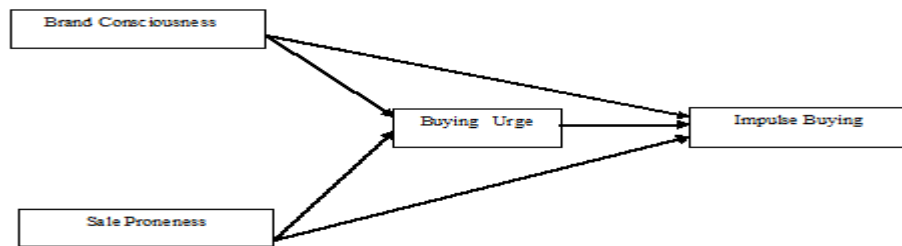


Figure 1

PROBLEM STATEMENT

There has been a great increase in the purchase consumption for various products and services due to the credit facility provided all over the world today. People have been spending more than their disposable income in purchasing things which are hardly required. There are people who are influenced by the products which are placed in the counters of various supermarkets or departmental stores also those who are influenced by advertisements or various promotional strategies. Therefore, this study intends to study the mediating role of buying urge on the relationship of brand consciousness, sale proneness and impulsive buying.

HYPOTHESES

On the basis of the review of literature and research questions the following hypotheses were proposed to test

H₁: Brand consciousness has a positive effect on impulsive buying.

H₂: Sale proneness has a positive effect on impulsive buying.

H₃: The effect of brand consciousness on impulsive buying will be mediated by buying urge.

H₄: The effect of sale proneness on impulsive buying will be mediated by buying urge.

METHODOLOGY

The methodology which was used for carrying out the research is as follows

Sample and Procedure

Sample was randomly drawn from the population of consumers who reside in Bhubaneswar, the capital of Odisha. A structured questionnaire was prepared which contained all the relevant factors. Two hundred and fifty questionnaires were distributed out of which 126 valid responses were obtained. Table 1 presents the description of respondents. The respondents were asked to report their demographic information, including gender, age and marital status.

Table 1: Description of the Respondents

Variable	Frequency	Ratio (%)
Age	17-27	41
	28-40	50
	41 and Older	35
Gender	Female	57
	Male	69
Marital Status	Married	71
	Single	55

Measures

The items used to measure the constructs in the study are to be taken from standardised scale. Measurements of all the constructs were carried out by the scales adopted from previous studies and a 5- point Likert type scale ranging from (1) strongly disagree to (6) strongly agree. Brand consciousness was measured by a 3-item scale adapted from Donthu and Gilliland (1996). Sale Proneness was measured by a 4-item scale adapted from (Lichtenstein, Ridgway and Netemeyer (1993). Buying urge was measured by a 4-item scale adapted from Verhagen, T. & Dolen, W. V. (2011). Impulsive buying was measured by a 3-item scale adapted from Donthu and Garcia (1999).

ANALYSIS AND RESULTS

To test the significant differences and relationship between the independent variables and dependent variables and for the mediating effect, regression analysis has been used. Data were coded and analysed through SPSS version 16.

Reliability and Correlation Analysis

We computed means for each variable and created a correlation matrix of all variables used in hypothesis testing. Means, reliabilities, and correlations among all scales used in the analyses are shown in Table 2. For exploratory research, a Chronbach α greater than 0.70 is generally considerate reliable (Nunnally, 1978). Chronbach α statistics for the study variables are 0.85, 0.86, 0.85 and 0.87 for each of the four factors respectively.

Table 2: Mean and Reliability

	Variables	Mean	Reliability
1	Brand Consciousness	3.15	.85
2	Sale Proneness	3.12	.86
3	Buying urge	3.03	.85
4	Impulsive Buying	3.17	.87

Table 3: Inter-Correlation Matrix for the Variables

	BC	SP	UB	IB
BC	1			
SP	.63**	1		
UB	.56**	.51**	1	
IB	.49**	.61**	.66**	1

** Correlation is significant at the 0.01 level.

BC= Brand Conscious, SP= Sale Proneness, UB= Buying urge, IB= Impulsive Buying

Factor Analysis

To concentrate the effect of variables in research dimensions, every research variables are operated with factor analysis. The scales were submitted to exploratory factor analysis separately. The best fit of the data was obtained with a principal component analysis with a varimax rotation. There are; three items for brand consciousness, four items for sale proneness, four items for buying urge, and three items for impulsive buying. The factor loadings of all variables are presented in Table No 4, 5, 6 and 7 respectively.

Table 4: Factor Loadings of Brand Consciousness

	Items	Factor
Item 1	I usually purchase brand name products.	.899
Item 2	The well known national brands are best for me	.826
Item 3	When a given choice between a national brand name product and a store brand product, I choose the national brand most of the time	.899

Table 5: Factor Loadings of Sale Proneness

Items		Factor
Item 1	If a product on sale, that can be a reason for me to buy it.	.939
Item 2	I am more likely to buy brands that are on sale.	.867
Item 3	Compared to most people, I am more likely to buy brands that are on sale.	.703
Item 4	One should try to buy the brand that is on sale.	.852

Table 6: Factor Loadings of Buying Urge

Items		Factor
Item 1	I experience a number of sudden urges to buy things	.879
Item 2	I see a number of things I want to buy even though they are not on my shopping list.	.804
Item 3	I experience no strong urges to make unplanned purchase.	.771
Item 4	I feel a sudden buying urge something	.873

Table 7: Factor Loadings of Impulsive Buying

Items		Factor
Item 1	Often make unplanned purchases.	.900
Item 2	Often purchase things spontaneously	.892
Item 3	Always stick to the shopping list	.880

Regression Analysis

To test the significant differences and relationship between the independent variables and dependent variables and for the mediating effect, regression analysis is used. Data were coded and analysed through SPSS version 18.

Main Effect

To study the relationship between independent variable and dependent variables, regression analysis is used. H_1 deals with the main effects of brand consciousness and impulsive buying and H_2 deals with the main effects sale proneness on impulsive buying.

H_1 : Brand consciousness has a positive effect on impulsive buying.

H_2 : Sale proneness has a positive effect on impulsive buying.

The regression equations to test the effect of brand consciousness and sale proneness on impulsive buying are

$$IB = \beta_0 + \beta_1 BC \quad (I)$$

$$IB = \beta_0 + \beta_2 SP \quad (II)$$

Where, β = Regression Coefficient, IB= Impulsive Buying, BC= Brand Consciousness, SP= Sale Proneness

Table 8: Summary of Regression Analysis of Brand Consciousness, Sale Proneness on Impulsive Buying

Variable	β	S.E (B)	R^2	F	t	Tolerance	Sig.
$IB = \beta_0 + \beta_1 BC \quad (I)$							
BC	.48	.08	.24*	38.2*	6.18*	1.00	.00
$IB = \beta_0 + \beta_2 SP \quad (II)$							
SP	.60	.06	.37*	71.6*	8.46*	1.00	.00

N=126, *p<.05, BC= Brand conscious, SP= Sale proneness, IB= Impulsive buying

Table 8 exhibits the results of regression analysis where both brand consciousness and sale proneness are independent variables and impulsive buying is dependent variable. The regression equation I was statistically significant ($F= 38.2$, $R^2= 0.24$, $p<0.05$). Regression analysis indicated that brand consciousness had significantly positive effect on impulsive buying ($p<0.05$, $\beta= .57$). As a determinant of impulsive buying, scores on brand consciousness accounted for 24% of variance. Similarly regression equation II was also statistically significant ($F= 71.6$, $R^2= 0.36$, $p<0.05$). Regression analysis indicated that sale proneness had significantly positive effect on impulsive buying ($p<0.05$, $\beta= .60$). So, the hypothesis is significant. These results support the hypotheses H_1 and H_2 .

Mediating Effect

Mediating effect was tested through regression analysis as per the mediation model given by Frazier, Tix and Baron (2004) and Baron and Kenny (1986). To predict the mediation effects hypothesized in H_3 and H_4 regression analysis is used on the factors obtained for independent variable, dependent variable and the mediator.

H_3 deals with the mediating effects of buying urge on the relationship between brand consciousness and impulsive buying.

H_4 deals with the mediating effects of buying urge on the relationship between sale proneness and impulsive buying.

To test the mediating effect of buying urge on the relationship between brand consciousness and impulsive buying, we have to set the following regression equations

$$IB = \beta_0 + \beta_1 BC \quad (III)$$

$$UB = \beta_0 + \beta_2 BC \quad (IV)$$

$$IB = \beta_0 + \beta_3 BC + \beta_4 UB \quad (V)$$

For Brand Consciousness \rightarrow Buying urge \rightarrow Impulsive Buying

where β = Regression Coefficient, BC= brand consciousness, UB= buying urge, IB= impulsive buying

Table 9: Summary of Regression Analysis of Brand Consciousness, Buying Urge on Impulsive Buying

Variables	β	SE(B)	R^2	F	t	Tolerance	Sig.
$IB = \beta_0 + \beta_1 BC \quad (III)$	.48	.08	.24*	38.23*	6.18*	1.00	.00
$UB = \beta_0 + \beta_2 BC \quad (IV)$	.56	.09	.31*	52.26*	7.51*	1.00	.00
$IB = \beta_0 + \beta_3 BC + \beta_4 UB \quad (V)$							
BC	.17	.08	.46*	52.45*	2.08*	.69	.04
UB	.57	.07			7.15*	.69	.00

N=126, * $p<0.05$, BC= Brand conscious, UB= Buying urge, IB= Impulsive buying

All the results of the regression analysis are shown in Table 10. Results indicated that brand consciousness predicted impulsive buying ($\beta= .48$; $p < 0.05$; equation III) and buying urge ($\beta=.56$; $p<0.05$; equation IV). Brand consciousness is positively associated with the dependent variable and mediator. Equation V for impulsive buying was also significant (BC, $\beta = .17$; $p < 0.05$ and UB, $\beta= .57$; $p < 0.05$). $R^2=0.57$ of equation V is greater than $R^2=0.48$ of equation III. It shows that urge for buying has mediation effect on the relationship between independent variable and dependent variable which supported H_3 .

To test the mediating effect of buying urge on the relationship between sale proneness and impulsive buying, we have to run the following regression equations

$$\begin{array}{l}
 \text{IB} = \beta_0 + \beta_1 \text{SP (VI)} \\
 \text{UB} = \beta_0 + \beta_2 \text{SP (VII)} \\
 \text{IB} = \beta_0 + \beta_3 \text{SP} + \beta_4 \text{UB (VIII)}
 \end{array}
 \left. \vphantom{\begin{array}{l} \text{IB} = \beta_0 + \beta_1 \text{SP (VI)} \\ \text{UB} = \beta_0 + \beta_2 \text{SP (VII)} \\ \text{IB} = \beta_0 + \beta_3 \text{SP} + \beta_4 \text{UB (VIII)} \end{array}} \right\} \begin{array}{c} \text{For Sale Proneness} \longrightarrow \text{Buying urge} \longrightarrow \text{Impulsive Buying} \end{array}$$

The results are shown in Table 11. In equation VI sale proneness is independent variable and impulsive buying is dependent variable. The regression equation was statistically significant ($F = 71.6$, $R^2 = 0.36$, $p < 0.05$). Regression analysis indicated that sale proneness had significantly positive effect on impulsive buying ($p < 0.05$, $\beta = .60$). In equation VII the relation between the independent variable and mediator was statistically significant ($F = 42.9$, $R^2 = 0.26$, $p < 0.05$) and sale proneness had significantly positive effect on buying urge ($p < 0.05$, $\beta = .59$). The third equation of the mediation model (equation VIII) is found to be significant ($F = 71.6$, $R^2 = .54$, $p < 0.05$). The $R^2 = .54$ of equation VIII is greater than the $R^2 = 0.36$ of equation VI. Thus H_4 proposing that buying urge mediate the relationship between sale proneness and impulsive buying was supported.

Table 10: Summary of Regression Analysis of Sale Proneness, Buying Urge on Impulsive Buying

Variables	β	SE (B)	R^2	F	t	Tolerance	Sig.
$\text{IB} = \beta_0 + \beta_1 \text{SP (VI)}$	.60	.06	.37*	71.6*	8.46*	1.00	.00
$\text{UB} = \beta_0 + \beta_2 \text{SP (VII)}$	.51	.07	.26*	42.9*	6.56*	1.00	.00
$\text{IB} = \beta_0 + \beta_3 \text{SP} + \beta_4 \text{UB (VIII)}$							
SP	.36	.05	.54*	71.7*	5.07*	.74*	.00
UB	.48	.06			6.76*	.74*	.00

N=126, * $p < .05$, SP= Sale Proneness, UB= Buying urge, IB= Impulsive buying

DISCUSSIONS AND CONCLUSIONS

The research was done using a theoretical framework developed based on previous studies. In conclusion, this paper has suggested what is possible, practical, and can be done by marketers in terms of brand consciousness, sale proneness, buying urge and impulsive buying. The effects of brand consciousness: The study shows that brand experience has positive effects on buying urge and impulsive buying. Brand consciousness creates and develops trust-based relationship platform between brand and customer. Brand consciousness arises in a variety of settings when consumers search for, shop and consume brands. In this study, brand consciousness is conceptualized as subjective consumer responses that are evoked by specific brand-related experiential attributes in such settings. The effects of sale proneness: As per the research results, sale proneness had a significantly positive influence on impulsive buying. These results were supported by those of previous studies done by other researchers (Kinney, Ridgway and Manroe, 2012). In light of literature, it is expected that people who have a higher tendency to buy impulsively would be more prone to sales. Furthermore, frequency exposure to sales would increase impulsive buying. Here a mediating relationship was found between brand consciousness, sale proneness and impulsive buying behaviour. Buying urge mediates the relationship between independent and dependent variables. Various external factors create the buying urge for the product spontaneously which ultimately leads to impulsive buying. This study explained the role of sale proneness and brand consciousness as external marketing stimuli and buying urge as internal stimuli on consumers' impulsive buying behaviour.

Despite the increasing trend of shopping around the globe, the lack of attention to impulsive buying in this new market environment calls for further investment. Although numerous studies focusing on impulsive buying exist, the operationalisation of the construct is still under discussion. This study was designed to investigate the effects of brand consciousness and sale proneness on impulsive buying through buying urge. Whether the increased shopping incidence of

impulsive buyers will be good or bad when evaluated from the perspective of marketers' profit concerns as well as public concerns, will probably remain a question mark for a long time.

LIMITATIONS AND FUTURE DIRECTIONS

This study and their results have several limitations and also indicate directions for further research. The sample size itself is relatively small. The study can be strengthened by increasing the sample size and including participants in other geographical areas. With an increased sample size, a more detailed empirical analysis among the independent variables and the variables can be performed. The current research indicates strong empirical support for the relationships among brand consciousness, proneness to sale, buying urge and impulsive buying. Overall, we still need to develop a more detailed understanding of impulsive buying behaviour. The present study did not examine the interaction effect of independent variables. Further research should focus on the antecedents and long-term consequences of impulsive buying behaviour.

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